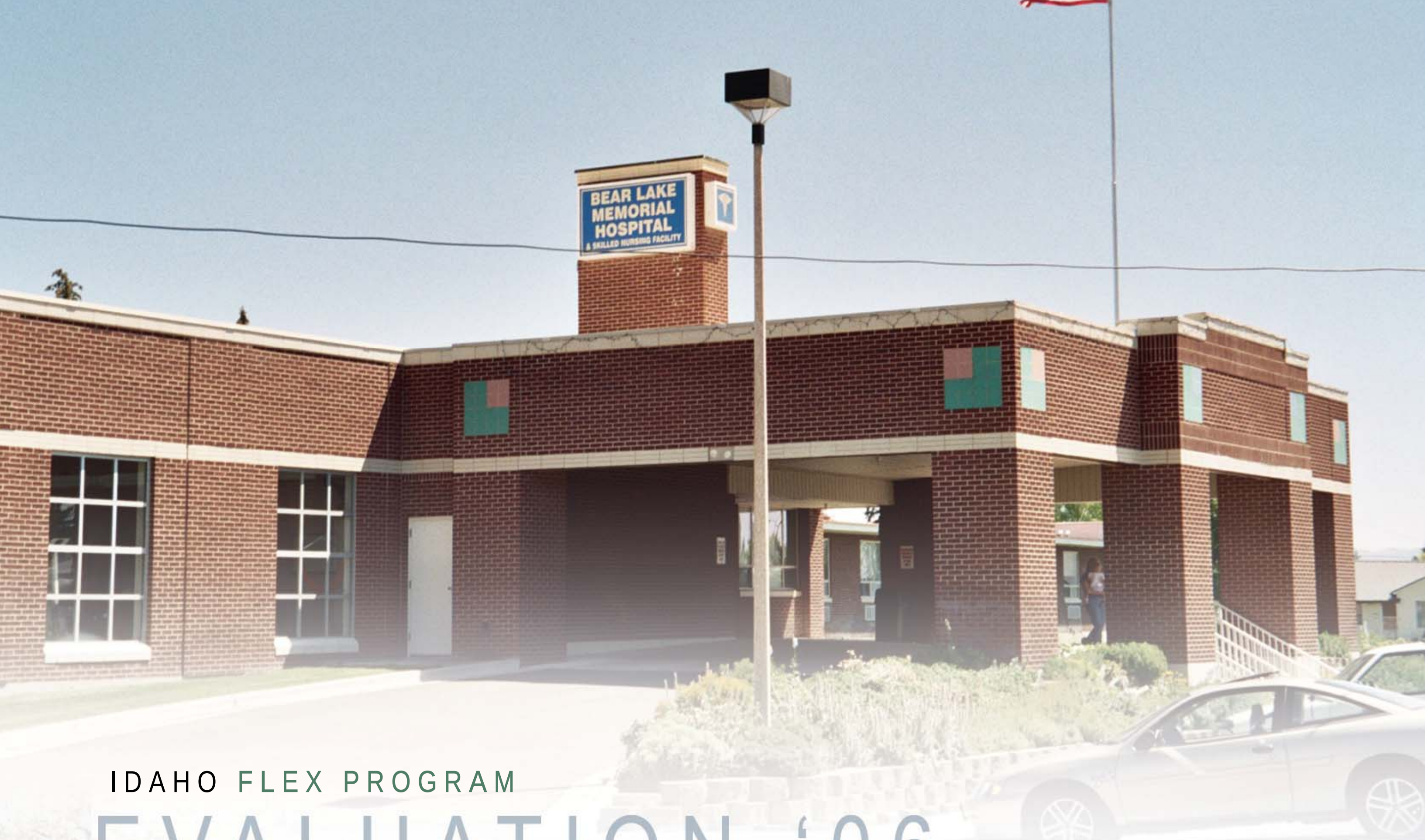
*A Critical Access Hospital Case Study*




IDAHO FLEX PROGRAM

# EVALUATION '06

BEAR LAKE MEMORIAL HOSPITAL, MONTPELIER, IDAHO


Rural Health Solutions

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***Is the Medicare Rural Hospital Flexibility (Flex) Program and small rural hospitals' conversion to Critical Access Hospital (CAH) status improving the quality of care and the performance of small rural hospitals, enhancing local emergency medical services (EMS), and fostering network development? Has access to health care improved due to the Flex Program? Bear Lake Memorial Hospital, Montpelier, Idaho, was highlighted in a study of these questions as part of Idaho's Flex Program and its program evaluation activities. Using this approach, the case study determined that extensive progress has been made in advancing the goals of the Flex Program; however, on-going needs and issues exist at Bear Lake Memorial Hospital and in Montpelier, Idaho.***

## A. CASE STUDY OBJECTIVES AND METHODS

The Bear Lake Memorial Hospital case study reviewed community, hospital, and other health care related changes and outcomes that have occurred due to Bear Lake Memorial Hospital's conversion to Critical Access Hospital (CAH) status and its involvement in the Flex Program. Findings were identified using the following:

- Local health services and community background information was collected from March – August 2006 in Montpelier, Idaho.
- Interviews with hospital staff, hospital board members, and local emergency medical services (EMS) personnel took place in Montpelier in August 2006.
- Health care providers working in Bear Lake Memorial Hospital completed a health services survey in May 2006.
- A community focus group was completed in Montpelier in August 2006 to gather feedback on health and health care services in the community, changes that have occurred to the hospital since its conversion to CAH status, and on-going needs and issues.

Sixteen individuals from the hospital service area were included in the case study process. They were asked questions related to: the hospital's conversion to CAH status, changes that have occurred at the hospital over the past 10 years, quality of care, networking activities that have occurred, changes to EMS services, and community needs and issues.

The Idaho Department of Health and Welfare, Office of Rural Health and Primary Care, administers the Flex Program in Idaho and was the sponsor of the case study.  Rural Health Solutions, St. Paul, Minnesota, conducted the case study and prepared this report.

## B. MONTPELIER, IDAHO, AND THE SURROUNDING AREA

Montpelier is a part of the Bear Lake Valley located in southeastern Idaho. It is a ranching area with four season recreational activities such as snowmobiling, fishing, hiking, water sports, and other activities. The largest employers in Montpelier are Bear Lake Memorial Hospital and Bear Lake County School District; while farmers and ranchers raise barley, wheat, beef cattle, and dairy products. Montpelier has a growing tourism industry with its proximity to Bear Lake, its location between Salt Lake City, Utah, and Jackson Hole, Wyoming/Yellowstone National Park, and the addition of the National Oregon/California Trail Center, a living history interpretive center.

In 2005, the estimated population of Montpelier was 2,507. Based on 2000 U.S. Census data, this is a decline of 10% from 2000 to 2005. Montpelier lies along Highway 89 about 87 miles south of Pocatello, Idaho, where the nearest tertiary hospital is located. Caribou Memorial Hospital, located in Soda Springs, Idaho, and also a CAH, is the nearest hospital (about 30 miles) to Bear Lake Memorial Hospital.

When asked, “What makes Montpelier a healthy place to live?”, case study participants characterized the community as: friendly, with few accidents, clean air and water, good doctors and hospital, community oriented, lots of outdoor and recreation activities, and where people know one another/are like family. When asked, “What makes Montpelier an unhealthy place to live?”, case study participants reported: poverty/near poverty, unemployment and underemployment, lack of mental health services, alcohol and drug use, obesity, youth prescription drug abuse, lack of education, lack of health insurance, and few employment opportunities for families to thrive.

**Bear Lake Memorial Hospital's Vision Statement:**

*"Bear Lake Memorial Hospital, its skilled nursing facility, its home care unit, and its Bear Lake Manor assisted living center will perpetuate and foster access to optimum, quality health care for the residents and visitors of the Bear Lake area. The hospital will assume a leadership role in planning for health care needs of the community and will play a key role in the economic development of the area."*

## C. BEAR LAKE MEMORIAL HOSPITAL

Bear Lake Memorial Hospital, a 21-bed CAH, converted to CAH status February 5, 2001, making it the 15th hospital to convert in the state and the 343rd to convert in the U.S.[1] The hospital is county-owned and offers emergency care, general surgery, obstetrics, orthopedic surgery, kidney dialysis, and a variety of outpatient services. The hospital also owns five clinic offices, an assisted living center, an attached long-term care facility, and home health services. The hospital administrator has been working in the hospital for 22 years, the Chief Financial Officer 4 years, and the Director of Nursing 32 years. There are 10 physicians (5 full-time and 5 visiting/consulting), 2 physician assistants, and 174 employees working at the hospital.

Bear Lake Memorial Hospital's service area population of approximately 8,000 is poorer, less racially diverse, older, and less likely to have a college degree when compared to the population of Idaho.[2] Ambulance services for the area are provided by Bear Lake County Ambulance. It provides intermediate life support services through 47 trained emergency medical technicians (23 EMT-Intermediate and 24 EMT-Basic), as well as six First Responders. The ambulance service responded to 368 calls in 2005.[3]

*"Without the hospital, there probably wouldn't be a town."*

Case Study Participant

## D. IMPACT OF THE FLEX PROGRAM

The national Medicare Rural Hospital Flexibility Program was created as part of the federal Balanced Budget Act of 1997. Its goals are to: 1) Convert small rural hospitals to CAH status; 2) Support CAHs in maintaining and improving access to rural health care services; 3) Develop rural health networks to increase health care efficiency and effectiveness and to advance the other Flex Program goals; 4) Integrate EMS into the continuum of health care services; and 5) Improve the quality of rural health care. Bear Lake Memorial Hospital was selected for an impact analysis using a case study approach in order to examine program outcomes and the impact that the Flex Program has had on local communities. Data were obtained from the Idaho Department of Health and Welfare, Office of Rural

[1] As of March 27, 2006 there are 26 CAHs in Idaho and 1279 in the U.S. Source: Flex Program Monitoring Team.

[2] Source: US Census Bureau.

[3] Source: Lake County Ambulance Service.

Health and Primary Care, State EMS Bureau, and the national Flex Monitoring Team, as well as case study participants. Case study participants were asked questions related to each of the Flex Program goals, including outcomes, accomplishments, needs, and on-going issues. Below is a status report for each goal, including goal status, indicators for success, and indicators of on-going needs and issues. Although many of the indicators cannot be directly and/or purely attributed to the activities of the Idaho Flex Program, case study participants reported that without the Flex Program, each accomplishment would have been difficult, delayed, and/or not pursued.

## GOAL: CONVERT HOSPITALS TO CAH STATUS
**STATUS:** ACCOMPLISHED

**INDICATORS OF OUTCOMES ACHIEVED:**

- Bear Lake Memorial Hospital converted to CAH status February 5, 2001.
- Over an 18 month period, the hospital explored the CAH conversion option, completed a financial feasibility study, worked with Flex Program supported staff at the Idaho Hospital Association and the Office of Rural Health and Primary Care to prepare for and complete the CAH application process, and was surveyed and licensed as a CAH.
- Case study participants provided the following comments/information related to the CAH conversion process:
    - *All of the physicians surveyed, that were working at the hospital at the time of conversion, reported that they "strongly supported" the hospital's conversion to CAH status.*
    - *"The Idaho Hospital Association was pivotal [in the CAH conversion process]."*
    - *"Without a doubt, CAH conversion was a great decision."*
    - *"From what we hear and see, CAH conversion has helped our patients."*

> *"After so many years of watching government programs come and go, I am very impressed with the Flex Program and how it has brought all of us together to learn from one another's mistakes. We had the hospital association and we learned through them, but we didn't talk like we do now."*
>
> Case Study Participant

## GOAL: SUPPORT CAHS IN MAINTAINING AND IMPROVING ACCESS TO HEALTH CARE SERVICES
**STATUS:** OUTCOMES ACHIEVED/ON-GOING NEEDS

**INDICATORS OF OUTCOMES ACHIEVED:**

- Bear Lake Memorial Hospital continues to provide the continuum of health care services.
- The hospital has added a kidney dialysis center (this center is 90 miles from the closest kidney dialysis center), mobile nuclear medicine and MRI, and a swing-bed program.

- The hospital purchased and operates the only assisted living senior center in Montpelier.

- The hospital's financial performance has improved: days in accounts receivable have decreased from an average of 90 days to 60 days, profit margin has increased from 0-2% per year to 5-6% per year, the attached long-term care facility is being renovated and expanded.

- CareLearning.com, a program initially sponsored by the Flex Program, is used by hospital staff for training (e.g. EMTALA). This has decreased training costs, improved training requirements compliance, and improved staff satisfaction with training options.

- The hospital utilized Flex Program support for developing their workforce. This has included recruiting potential workers and training them to fill needed positions and establishing an on-site distance learning center.

- Hospital staff attended several Flex Program financial and cost-reporting training sessions that reportedly have improved hospital billing and coding.

> *"This is a great place to work and I am convinced it would be a great place to be a patient."*
>
> Case Study Participant

- Case study participants provided the following comments/information related to maintaining/sustaining access to health care services:

    - *"We have been very successful in growing our own workforce. We find good people in our community and send them off to school."*
    - *"We would be a lot more financially successful if we eliminated some services but we are the only provider of care."*
    - *"The Flex Program has helped us do a better job in many ways."*
    - *"We are serving more Medicare patients because our population is aging."*
    - *"Grant funding helped us to change our billing system which has improved patients' understanding and payments."*
    - *"I wouldn't be able to attend the financial workshops if the Flex Program wasn't supporting them."*
    - *"Ten years ago our hospital didn't provide near the offerings [services] that it does today."*
    - *"A few years ago, we worried about staff [hospital] morale, but it has really improved."*
    - *"We used Flex funding to begin the process of holding a hospital retreat for strategic planning. Starting that process has been one of the best things for our hospital."*
    - *"We have a clean, modern, and upbeat hospital and it's good to work here."*
    - *"Prior to CAH we didn't have the capital to take any risks to even try and improve our hospital. The money just wasn't there."*
    - *"We thought we would only have five patients in the dialysis center and within three months we already have nine."*

**INDICATORS OF ON-GOING NEEDS/ISSUES:**

- The hospital's hospice program was eliminated, as community members were not using it.
- The hospital continues to have a difficult time recruiting RNs and they have been unable to recruit an Internal Medicine physician over the past two years.
- Community members reported having no or limited access to mental health services, in particular care for those with mental health and chemical dependency issues.
- Case study participants provided the following comments related to maintaining/sustaining access to health care services:
    - *"The age of our medical staff is older and younger doctors are over-worked."*
    - *"People's diets are so poor, they are obese but starving to death."*
    - *"There is a need to address nutrition and the school lunch program."*
    - *"We don't have health insurance so if it's not an emergency, we don't get care."*
    - *"The focus needs to be on prevention."*
    - *"There are a lot of occupational hazards in the community."*

**GOAL: DEVELOP RURAL HEALTH NETWORKS TO INCREASE HEALTH CARE EFFICIENCY AND EFFECTIVENESS AND TO ADVANCE THE OTHER FLEX PROGRAM GOALS**
**STATUS:** OUTCOMES ACHIEVED/ON-GOING NEEDS

**INDICATORS OF OUTCOMES ACHIEVED:**

- The hospital formalized its network relationship with the Portneuf Medical Center, Pocatello, and reports the development of the Flex Program improved hospital relations and collaboration between the facilities.
- The Flex Program has supported the Public Hospital Cooperative which includes 12 hospitals in Southeastern Idaho and one hospital in Wyoming.
- Local EMS is working with a neighboring ambulance service to share ideas on improved operations, staff training, and recruitment.
- Case study participants provided the following comments/information related to network development:
    - *"Our relationship with Portneuf has really improved. They do a lot of education for us across the board [human resources, quality improvement, physicians] and provide other support."*
    - *"Networking amongst CAHs has really increased. We have learned a lot through one another and are better for it."*

**INDICATORS OF ON-GOING NEEDS/ISSUES:**

- Montpelier is a potential site for regional and/or state EMS winter and water rescue training.

- Case study participants provided the following comments/information related to network development:

  - *"We [CAHs] have just begun to work together, we have so many more issues to address."*

  - *"I think we need to direct more money [Flex Program] to regional networks and statewide activities instead of local activities because we get so much more bang for our buck."*

**GOAL: INTEGRATE EMS INTO THE CONTINUUM OF RURAL HEALTH CARE SERVICES**
**STATUS:** OUTCOMES ACHIEVED/ON-GOING NEEDS

**INDICATORS OF OUTCOMES ACHIEVED:**

- EMS-hospital relations are being enhanced through activities such as joint training.

- Hospital employees have been trained as EMTs and they are active members of the local EMS squad.

- Plans are being developed to locate an ambulance in a high volume service area to decrease emergency response times.

- A local EMS assessment was completed by the Flex Program to identify community EMS needs that should be addressed. The following local activities were completed in response to assessment recommendations:

  - *Recruitment and retention programs from other EMS agencies in the state were obtained. This resulted in adding first responders to the ambulance squad.*

  - *The number of active EMTs on the squad increased from 35 to 47 from 2002 to 2006.*

  - *EMS tracking forms were simplified.*

  - *Ambulance personnel in the field no longer enter PCR data.*

  - *Ambulance personnel training occurs at monthly meetings.*

  - *Air medical and agency rendezvous protocols were developed and written.*

  - *Ambulance billing is contracted to a private company and the fee schedule was updated.*

**INDICATORS OF ON-GOING NEEDS/ISSUES:**

- A permanent site and funding for a remote ambulance has not been identified.

- Pediatric AEDs and training are needed by the ambulance service.

- EMS has no vehicles that allow EMTs access to accident victims in the canyons, even though they received a number of such winter emergency calls from those needing care.

- There is regular turnover of local EMTs that impacts training and retention, and a need to recruit additional EMTs.
- A local EMS council with representation from health and safety stakeholders has not been established.
- Formal emergency vehicle operator's training is needed.
- No feedback mechanism exists between the hospital and EMS clinical providers.
- Although the ambulance service determined that a vehicle needs to be placed outside Montpelier to improve response rates, no formal assessment of response patterns has been conducted to evaluate the most appropriate site for ambulance placement.
- Annual turnover of volunteer squad leadership negatively impacts continuity of training and program development.
- Enhanced 911 services are not available throughout the County and EMS personnel often have difficulty finding emergency locations.
- The number of seasonal residents is increasing; however, they have little to no knowledge of the availability of local EMS, such as run times and the need for dispatchers to know precise locations.
- Local EMS is not engaged in community education activities.
- There is no formal process to measure changes in quality of EMS provided to patients.
- Case study participants provided the following comments/information related to EMS needs/issues:
    - "*EMS struggles financially and we don't know how to resolve that problem."*
    - *"Its hard to ask someone to take time out of their work day to drive three hours to Salt Lake City and then they get a lunch out of it."*
    - *"It takes 6-8 hours to do a transfer so there are times when no one is on call to do it.*
    - *"If there's anything sad, it's that the community may not know how lucky they are."*

**GOAL: IMPROVE THE QUALITY OF RURAL HEALTH CARE**
**STATUS:** OUTCOMES ACHIEVED/ON-GOING NEED

**INDICATORS OF OUTCOMES ACHIEVED:**

- Physicians and hospital staff report that quality improvement initiatives are in place and improving quality of care.
- Hospital outpatient services, diagnostics, and laboratory service have been upgraded.
- Issues related to medication errors are being addressed by hospital staff through errors checking, changing hospital processes to prevent errors, documenting changes, and monitoring results.
- Compliance with aspirin administration with a cardiac admission has improved from an average monthly rate of 75% to 90 – 100% over the past two years.

- Emergency room return rates for the first 72 hours after discharge have decreased from a 10% return rate to a 3% return rate over the past two years.

- The peer review network, a program developed and sponsored by the Flex Program, has allowed for a more in-depth hospital peer review process with less bias, according to hospital staff.

- Case study participants provided the following comments/information related to improving quality of care:
    - "Patients report that the kidney dialysis center is the best that they have used."
    - "Quality of care issues are addressed at monthly department [hospital] meetings. If they meet their goals, we identify new areas for improvement."
    - "We used to use a currier to send X-rays to Logan and Pocatello for their review and that took time and was a hassle. Now we can send the X-rays electronically and they get reviewed right away."
    - "As far as health care, I think we have some of the best in the state."

**INDICATORS OF ON-GOING NEEDS/ISSUES:**

- The medical and other hospital staff reported a need for supplemental/additional Advanced Life Support training, due to limited opportunities to use key emergency skills on a routine basis.

## *CONCLUSIONS*

***Using Bear Lake Memorial Hospital, Montpelier, Idaho, as a case study to determine whether the goals of the Flex Program have been advanced indicates that extensive progress has been made. Areas where the most progress was reported is in maintaining and improving access to health care services, as well as improving quality of care. On-going support is needed to further address post-CAH conversion Flex Program goals, with a particular need to address EMS funding issues.***

This report was created by Rural Health Solutions, St. Paul, Minnesota - www.rhsnow.com, funded by the Idaho Department of Health and Welfare, Office of Rural Health and Primary Care, through a grant from the U.S. Department of Health and Human Services, Health Resources and Services Administration, Office of Rural Health Policy.

Idaho State Office of Rural Health & Primary Care